

## Maintain Employee Tax Exemption

PA30

### Change History

Update the following table as necessary when this document is changed:

Date	Name	Change Description
12/16/04	Ligaya West	Updates & edits
6/22/06	Lesa Terry	Updates

**Title:** *Maintain Employee Tax Exemption*  
**Processes :**  
**Sub-Processes :**

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HRMS Training Documents

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State of Washington HRMS

**File name:** EMPLOYEE\_TAX\_EXEMPTION.DO  
**Version:** Not Started  
**Last Modified:** 6/26/2006 8:24:00 AM  
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### **Purpose**

Use this procedure to update the federal and state tax exemption status of an employee.

### **Trigger**

Perform this procedure when an update to the federal and state tax exemption status of an employee is necessary.

### **Prerequisites**

Employee hire action completed for employee.

### **Menu Path**

Human Resources → Personnel Management → Administration → HR Master Data → Maintain

### **Transaction Code**

**PA30**

### **Helpful Hints**

The Payroll Processor will use this procedure to maintain an employee's tax exemption information.


## Procedure

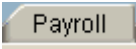

1. You have started the transaction using the menu path or transaction code.

### Maintain HR Master Data

2. As required, complete/review the following fields:

Field Name	R/O/C	Description
Personnel no.	R	This is a unique identifying number assigned by HRMS for identification purposes. This number will follow the employee throughout his/her employment with the State of Washington. This will replace the use of identifying employees by social security number. <b>Example:</b> 20000292

3. Click  (Enter) to validate the information.

4. Click the  tab.
5. Click the gray box to the left of *Withholding Info W4/W5 US*.
6. Click  (Copy) to copy and continue.

## Change Withholding Info W4/W5 US

7. In the **Start** field, enter the new start date.
8. As required, complete/review the following fields:

Field Name	R/O/C	Description
Tax Exempt indicator	R	This allows the user to identify a tax type from which the employee is exempt from paying. <b>Example:</b> R

9. In the **Exemptions** group, click in the **Tax Exempt Indicator** field, click  (Matchcode) to open the selection list.

### Tax exemption indicator

Tax exemption indicator (1) 4 Entries Found	
Tax Exempt Indica...	Short text
Y	Exempt, not reportable
R	Exempt, reportable
X	Exempt, partly reportable
	Not exempt

4 Entries Found

10. Click to highlight the correct choice.

11. Click (Copy) to accept.

## Change Withholding Info W4/W5 US

Infotype Edit Goto Extras System Help

**Change Withholding Info W4/W5 US**

Personnel No. 20000292 Name Uncle Sam

PersArea 1110 Dept of Personnel EEGroup 0 Permanent

PSubarea 0001 Non Represented EESubgroup 00 Exception Hourly Status Active

Start 01/01/2004 to 12/31/9999 Chg. 09/28/2004 BRIAND

**Status**

Tax authority FED Federal Tax level A Federal

Filing Status 01 Single

**Exemptions**

Allowances

Tax Exempt Indicator Y ☒ IRS mandates

**Withholding adjustments**

Add. withholding USD

Default formula 1 PERCENTAGE M... Alternative formula


**W-5 filing status**

EIC status

**Overrides (from Infotype 0234)**

From date	End Date	Supplemental met...	Tax override	Em...
01/01/2004	12/31/9999		0.00	0105




PA30 ssvaphraedci INS







12. Click  (Enter) to validate the information.

13. Click  (Save) to save.




## Display logs

Display logs		
Ty...	Message Text	LTxt
	Exemption checkbox selected; end date should be changed to 20050215.	
	Tax exemption claimed; file W-4 to agency	

  Correct errors    



Messages may vary depending on employee set up

14. Click  (Continue) to continue.

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**Example Single** EIC Status=1: W/H Status = Single

**Change Withholding Info W4/W5 US** SAP

Change Withholding Info W4/W5 US

Personnel No. 20000069 Name Test Hourly Guy

PersArea 1550 Dept of Info Services EEGroup 1 Temporary

PSubarea 0001 Non Represented EESubgroup 00 Exception Hourly Status Active

Start 01/01/2004 to 12/31/9999 Chg. 11/01/2004 JOANNEG

Status

Tax authority FED Federal Tax level A Federal

Filing Status 01 Single

Exemptions

Allowances

Tax Exempt Indicator ☐ IRS mandates ☐

Withholding adjustments

Add withholding USD

Default formula 1 PERCENTAGE M... Alternative formula

W-5 filing status

EIC status 1 Single or married, spouse not filing form W-5

Overrides (from Infotype 0234)

From date	End Date	Supplemental met...	Tax override	Em...
01/01/2004	12/31/9999		0.00	0050

Enter data for payroll past (retroactive accounting) RA0 (1) (731) ssvaphraedci INS

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**Example Married (Spouse not filing certificate) W-5 EIC Status=1: W/H Status = Married**

**Change Withholding Info W4/W5 US** SAP

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**Change Withholding Info W4/W5 US**

Personnel No. 20000069 Name Test Hourly Guy  
PersArea 1558 Dept of Info Services EEGroup 1 Temporary  
PSubarea 0001 Non Represented EESubgroup 00 Exception Hourly Status Active  
Start 01/01/2004 to 12/31/9999 Chg. 11/01/2004 JOANNEG

Status  
Tax authority FED Federal Tax level A Federal  
Filing Status 02 Married

Exemptions  
Allowances  
Tax Exempt Indicator ☐ IRS mandates ☐

Withholding adjustments  
Add withholding USD  
Default formula 1 PERCENTAGE M... Alternative formula

W-5 filing status  
EIC status 1 Single or married, spouse not filing form W-5

Overrides (from Infotype 0234)

From date	End Date	Supplemental met...	Tax override	Em...
01/01/2004	12/31/9999		0.00	0050

Enter data for payroll past (retroactive accounting) RA0 (1) (731) ssvaphraedci INS

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Example: **Married (Both Spouses filing certificate)** EIC Status = 2: W/H Status = Married

The screenshot shows the SAP 'Change Withholding Info W4/W5 US' interface. The main data fields are as follows:

Field	Value
Personnel No.	20000069
Name	Test Hourly Guy
PersArea	1550
Dept of Info Services	EEGroup 1 Temporary
PSubarea	0001
Non Represented	EESubgroup 00
Exception Hourly	Status Active
Start	01/01/2004 to 12/31/9999
Chg.	11/01/2004 JOANNEG

**Status**

Tax authority	FED	Federal	Tax level	A	Federal
Filing Status	02	Married			

**Exemptions**

Allowances	
Tax Exempt Indicator	<input type="checkbox"/>
IRS mandates	<input type="checkbox"/>

**Withholding adjustments**

Add withholding		USD	
Default formula	1 PERCENTAGE M...	Alternative formula	

**W-5 filing status**

EIC status	2	Married, both spouses filing form W-5
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**Overrides (from Infotype 0234)**

From date	End Date	Supplemental met...	Tax override	Em...
01/01/2004	12/31/9999		0.00	0050

At the bottom of the screen, a status bar shows: Enter data for payroll past (retroactive accounting), RA0 (1) (731), ssvaphraedci, INS, and the system clock at 4:37 PM.

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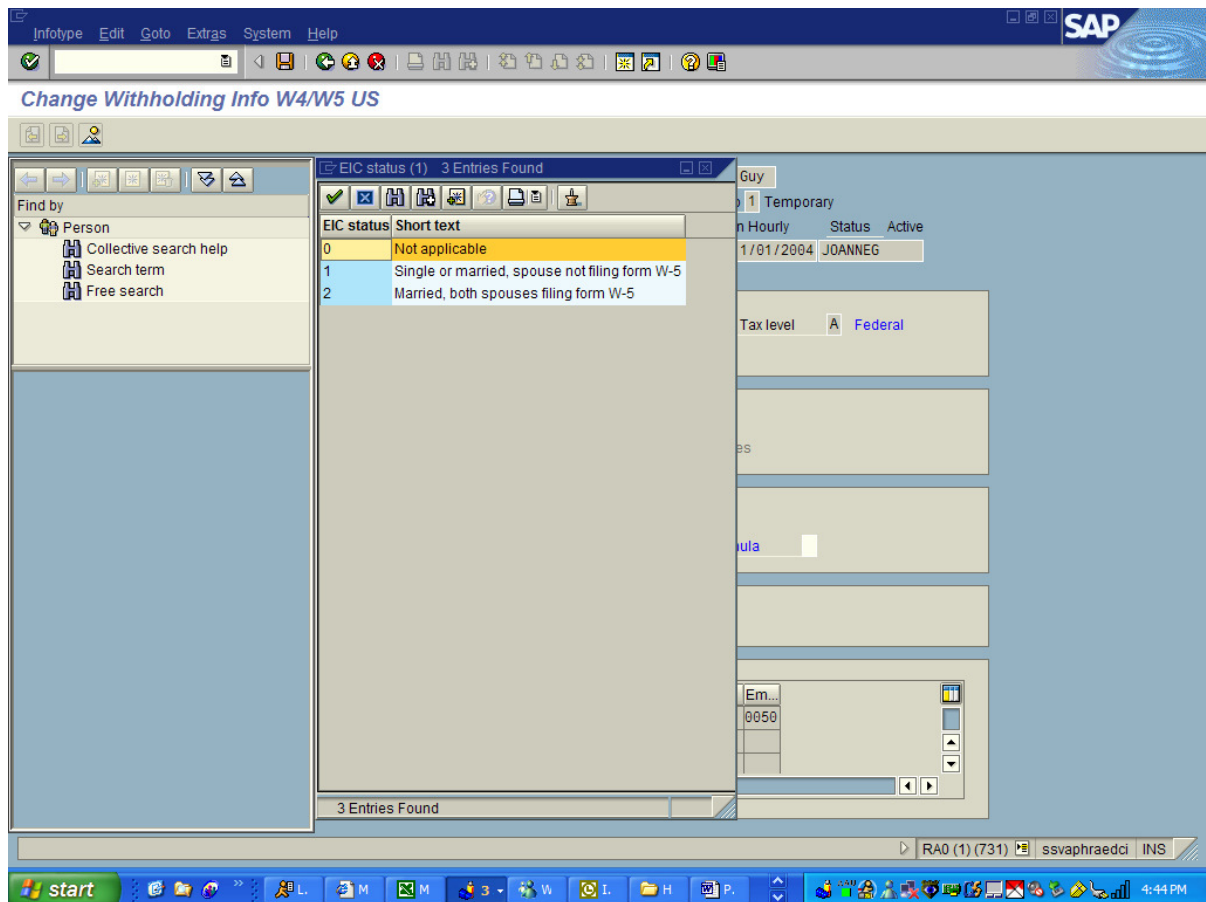
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**EIC Status Values:**

- 1- Use for single or married, spouse not filing form W-5. The system will pass the filing status to calculate the correct EIC credit amount (Rate from Annual table, codes A or B, depending on filing status). Use 01 for single; 06 Head of household; 02 married

Note: The EIC table has rates for (A) Single or Head of Household, (B) Married Without Spouse Filing Certificate, and (C) Married With Both Spouses Filing Certificate

- 2- Use if married and both spouses are filing form W-5 (Rate from Annual table, code C): Use 02 Married filing status

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## Maintain HR Master Data

The screenshot displays the SAP HR Master Data maintenance interface. At the top, the title bar reads 'HR master data' with standard SAP menu options. Below the title bar, the 'Maintain HR Master Data' window is open. The main area shows the 'Payroll' tab selected, displaying a list of infotypes. The 'Withholding Info W4/W5 US' infotype is highlighted. To the right, a 'Period' selection dialog is visible, showing options for 'Today', 'Curr. week', 'A11', 'Current month', 'From curr. date', 'Last week', 'Up to Today', 'Last month', 'Current Period', and 'Current Year'. The 'Direct selection' section at the bottom shows 'Withholding Info W4/W5 US' and 'STy'. The status bar at the bottom indicates 'Record changed' and 'PA30 ssvaphraedci INS'.

15. While on the *Payroll* tab, click on the gray box to the left of *Other Taxes US* infotype text.

16. Click  (Create) to create a new record.

## Subtypes for infotype "Other Taxes US"

Subtypes for infotype "Other Taxes US" (1) 4107 Entries Found

Restrictions

Auth	Description	Tax Le...
AS	American Samoa	B
AZ	Arizona	B
CA	California	B
CA01	San Francisco	D
CO	Colorado	B
CO01	Denver	D
CO02	Greenwood Village	D
CO03	Aurora	D
CO04	Transit Construction Authority	F
CT	Connecticut	B
DC	District Of Columbia	B
DE	Delaware	B
DE01	Wilmington	D
FED	Federal	A
FL	Florida	B
GA	Georgia	B
GU	Guam	B
HI	Hawaii	B
IA	Iowa	B

4107 Entries Found

17. Double-click **FED**.

## Create Other Taxes US

Personnel No. 20000292 Name Uncle Sam

PersArea 1110 Dept of Personnel EEOGroup 0 Permanent

PSubarea 0001 Non Represented EESubgroup 00 Exception Hourly Status Active




Start 01/01/2004 to 12/31/9999

Tax type exceptions

Tax authority FED Federal Tax level A Federal

T	Description	D	Text	F	Text
02	Earned Income Credit Payment	1	EARNED INCOME...		
03	Employee Social Security Tax	1	EMPLOYEE SOCI...		
04	Employer Social Security Tax	1	EMPLOYER SOCI...		
05	Employee Medicare Tax	1	EMPLOYEE MEDI...		
06	Employer Medicare Tax	1	EMPLOYER MEDI...		

Entry 1 of 5

18. Click  to scroll the table to the right.
19. Click  under the exempt column that pertains to the desired tax description.
20. Click the  (Matchcode) next to the cell selected in the previous step to open the selection list.



### Tax exemption indicator

Tax Exempt Indica...	Short text
Y	Exempt, not reportable
R	Exempt, reportable
X	Exempt, partly reportable
	Not exempt

21. Click to highlight the correct choice.

22. Click  (Copy) to accept.

## Create Other Taxes US

Personnel No. 20000292 Name Uncle Sam

PersArea 1110 Dept of Personnel EEGroup 0 Permanent

PSubarea 0001 Non Represented EESubgroup 00 Exception Hourly Status Active


Start 01/01/2004 to 12/31/9999

Tax type exceptions

Tax authority FED Federal Tax level A Federal

Text	F.. Text	Exempt
EARNED INCOME...		Y
EMPLOYEE SOCI...		
EMPLOYER SOCI...		
EMPLOYEE MEDI...		
EMPLOYER MEDI...		

Entry 1 of 5

23. Click  (Enter) to validate the information.

24. Click  (Save) to save.


## Maintain HR Master Data

The screenshot shows the SAP HR Master Data maintenance interface. The top bar includes the SAP logo and menu options like HR master data, Edit, Goto, Extras, Utilities, Settings, System, and Help. The main window displays the 'Maintain HR Master Data' title and a list of infotypes. The 'Other Taxes US' infotype is selected. The 'Period' section shows options for Today, Curr. week, A11, Current month, From curr. date, Last week, Up to Today, Last month, Current Period, and Current Year. The 'Direct selection' section shows the infotype 'Other Taxes US' and the status 'STy'. A message bar at the bottom indicates 'Record created'.



The system displays the message, "Record created"

25. Click the gray box to the left of the *Other Taxes US* infotype text.

26. Click  (Create) to create a new record.

### Subtypes for infotype "Other Taxes US" (1) 4107 Entries Found

Subtypes for infotype "Other Taxes US" (1) 4107 Entries Found		
Restrictions		
Auth	Description	Tax Le...
PCDP	Fairview	D
PCDQ	Fairview	D
PCDR	Thornhurst	D
PCDS	Avondale	D
PR	Puerto Rico	B
RI	Rhode Island	B
SC	South Carolina	B
SD	South Dakota	B
TN	Tennessee	B
TX	Texas	B
TX01	Texarkana, Texas	D
UT	Utah	B
VA	Virginia	B
VI	U.S. Virgin Islands	B
VT	Vermont	B
WA	Washington	B
WI	Wisconsin	B
WV	West Virginia	B
WY	Wyoming	B

27. Click to highlight the correct choice of (WA) Washington.

28. Click  (Copy) to accept.

## Create Other Taxes US

Personnel No. 20000292 Name Uncle Sam

PersArea 1110 Dept of Personnel EEGroup 0 Permanent

PSubarea 0001 Non Represented EESubgroup 00 Exception Hourly Status Active




Start 01/01/2004 to 12/31/9999

Tax type exceptions


Tax authority WA Washington Tax level B State

T	Description	D	Text	F	Text
10	Employer Unemployment Tax	1	EMPLOYER UNEMPL		
32	Employer Accident Fund Tax	1	EMPLOYER ACCIDE		
33	Employer Medical Aid Fund Tax	1	EMPLOYER MEDICA		
34	Employer Suplmtal Pension Tx	1	EMPLOYER SUPPLE		
42	Employee Suplmtal Pension Tx	1	EE SUPPLEMENTAL		
43	Employee Medical Aid Fund Tax	1	EMPLOYEE MEDICA		

Entry 1 of 6

29. Click  to scroll the table to the right.
30. Click  under the exempt column that pertains to the desired tax description.
31. Click the  (Matchcode) next to the cell selected in the previous step to open the selection list.

### Tax exemption indicator


Tax exemption indicator (1) 4 Entries Found	
	
Tax Exempt Indica...	Short text
Y	Exempt, not reportable
R	Exempt, reportable
X	Exempt, partly reportable
	Not exempt
4 Entries Found	


32. Click to highlight the correct choice.

33. Click  (Copy) to accept.

## Create Other Taxes US

D..Text	F..Text	Exempt
1 EMPLOYER UNEMPL		Y
1 EMPLOYER ACCIDE		
1 EMPLOYER MEDICA		
1 EMPLOYER SUPPLE		
1 EE SUPPLEMENTAL		
1 EMPLOYEE MEDICA		

34. Click  (Enter) to validate the information.

35. Click  (Save) to save.



The system displays the message, "Record created."

36. You have completed this transaction.

### Result

You have updated the tax exemption status of an employee.

### Comments

None

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